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USDOC FOR 532/OEA/MHAMES/LRITTA
USDOC FOR 3150/USFCS/OIO/CEENIS/MCOSTA
USDOC FOR 532/OEE/MO'BRIEN
SIPDIS

E.O. 12958: N/A

TAGS: <u>BEXP</u> <u>ETRD</u> <u>ETTC</u> <u>RS</u>

SUBJECT: EXTRANCHECK: PRE-LICENSE CHECK: ITRC "MIR",

MOSCOW, RUSSIA, LICENSE NO. D365307

REFTEL: USDOC 02863

- 11. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.
- 12. Reftel requested a Pre-license check to determine the legitimacy and reliability of the end-user, ITRC "MIR", Moscow, Russia. The company is listed on BIS license application D365307 as the ultimate consignee of a traveling wave tube, model: VTU6125C4. These items are controlled for national security, nuclear non-proliferation reasons under ECCN 3A001. The licensee is Communications and Power Industries, 811 Hansen Way, Palo Alto, CA 94304.
- 13. On December 15, 2006, Export Control Attache Donald Pearce and FSN Natalya Shipitsina conducted the requested pre-license check at the offices of Intergovernmental TV and Radio Company "Mir" (ITRC Mir), 44, Krasnobogatyrskaya St., Moscow, Russia. The export control team met with Aleksey Ikonnikov, Vice President.
- 14. ITRC Mir was founded in 1993 by a multilateral decree of the governments of Russia, Tajikistan, Belarus, Georgia, Moldova, Armenia, Kazakhstan, Kyrgyzstan, and Azerbaijan after the dissolution of the Soviet Union. The company was formed to provide satellite uplink/downlink services for media and private organizations. The shareholders of the company are the heads of government of each member country, and the company is 100% owned by these governments. The company has an office in each country, and three in Russia located in Moscow, St. Petersburg, and Vladikhavkaz. The headquarters of the organization is at the Moscow location, which employs 300.
- 15. The primary use of the satellite network is for television program transmission and electronic newsgathering. The satellite network went live in 1996, and currently broadcasts 18 hours of news and public affairs / public interest programming from the Moscow office daily. The equipment utilized in the Moscow center is all of U.S. origin, and was installed in 1998. ITRC Mir also leases satellite time to private organizations and other government users. The company hopes to expand its Russian operations, and is exploring options to obtain more bandwidth to support additional programming. Mr. Ikonnikov believes the demilitarization of certain satellite band frequencies will allow for additional band segments for ITRC Mir. The company is increasing the budget for replacement

of equipment to 12,000,000 USD, up from 8,000,000 USD last year.

- 16. The Traveling Wave Tube (TWT) in reftel will replace a damaged TWT utilized in a mobile satellite ground station. The mobile ground station system, known as a "flyaway," allows ITRC Mir to establish ground stations in the field for electronic newsgathering operations, and for establishing a temporary satellite connection at a client facility. The TWT, which contains a glass tube, was broken in the field. The team was shown a CPI VTU-6395M2 TWT, serial number 98D013-accept date 9821. Digital photographs of the TWT were taken and are available from post upon request. ITRC Mir has contracted to replace the damaged goods through Communications and Power Industries (CPI) regional office in Cham, Switzerland. The Russian distributor, NPO Svyazproyekt, is listed as an intermediate consignee, and is handling customs formalities.
- 17. When not in use, the TWT is stored at the ITRC Mir office in Moscow. The office has a 24x7 security presence, as satellite centers are officially considered to be sensitive sites under Russian law. Each flyaway has two engineers and two operators who are responsible for use, maintenance and security of the unit when in the field. The storage facility at the Moscow office is a locked room with limited access.
- 18. Recommendations: Post recommends ITRC Mir, Moscow, Russia, as reliable recipients of sensitive U.S. origin commodities. It is requested that post be

notified of final disposition of the application, and of any shipments for this organization in order to conduct appropriate FCS follow-up and statistical reporting.

(FCS MOSCOW/SBOZEK/DPEARCE)
BURNS